

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT *30-045-28283*

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 SCHALK DEVELOPMENT CO.

3. ADDRESS OF OPERATOR
 P. O. Box 25825, Albuquerque, New Mexico 87125

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1,850' FNL & 1,850' FEL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 8 miles southwest of Carson Trading Post

10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 1,850'

16. NO. OF ACRES IN LEASE
 160

17. NO. OF ACRES ASSIGNED TO THIS WELL
 5/80 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2,500'

19. PROPOSED DEPTH
 5,000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DR, DT, GR, etc.)
 6,382' GL

22. APPROX. DATE WORK WILL START*
 July 15, 1990

5. LEASE DESIGNATION AND SERIAL NO.
 NM 61271

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 FEDERAL 32-30

9. WELL NO.
 1

10. FIELD AND POOL, OR WILDCAT
 Lower Gallup ~~EXT~~ EXT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec. 30, T-25N, R-12W

12. COUNTY OR PARISH
 San Juan

13. STATE
 New Mexico

This application is subject to the procedural revision regulations at 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	See Operations Plan
7-7/8"	5-1/2"	15.5#	5,000'	See Operations Plan

RECEIVED
 OCT 1 1990
 OIL CON. DIV.
 DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. [Signature] General Manager DATE June 7, 1990

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:
OK

[Signature]

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

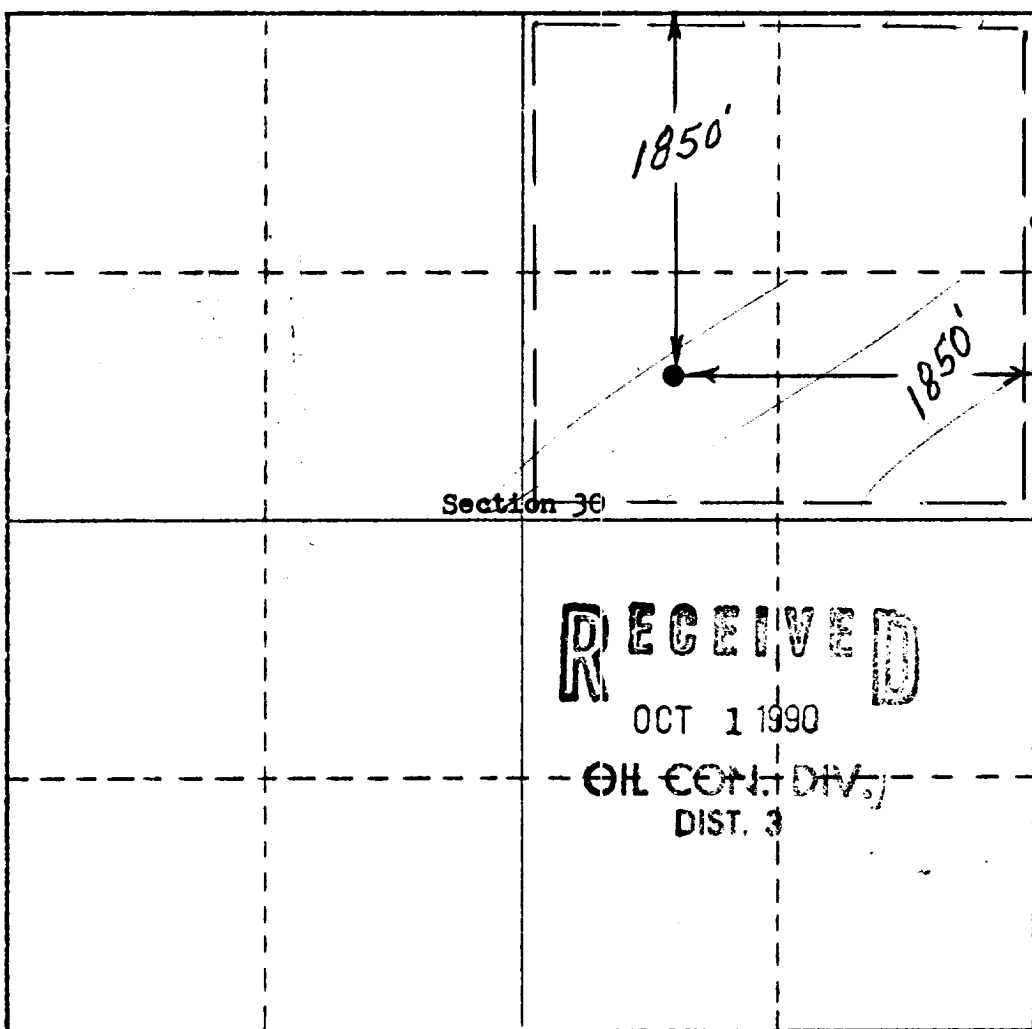
Operator Schalk Development Co.		Lease Federal 32-30		Federal No. 61271	Well No. 1
Unit Letter G	Section 30	Township 25 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the North line and 1850 feet from the East line					
Ground Level Elev: 6382	Producing Formation Gallup	Pool <i>Birthlower</i>	Dedicated Acreage 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



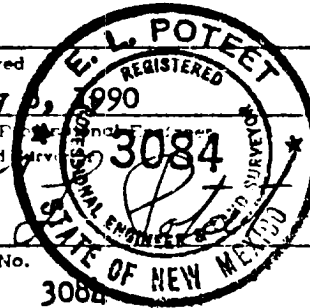
CERTIFICATION

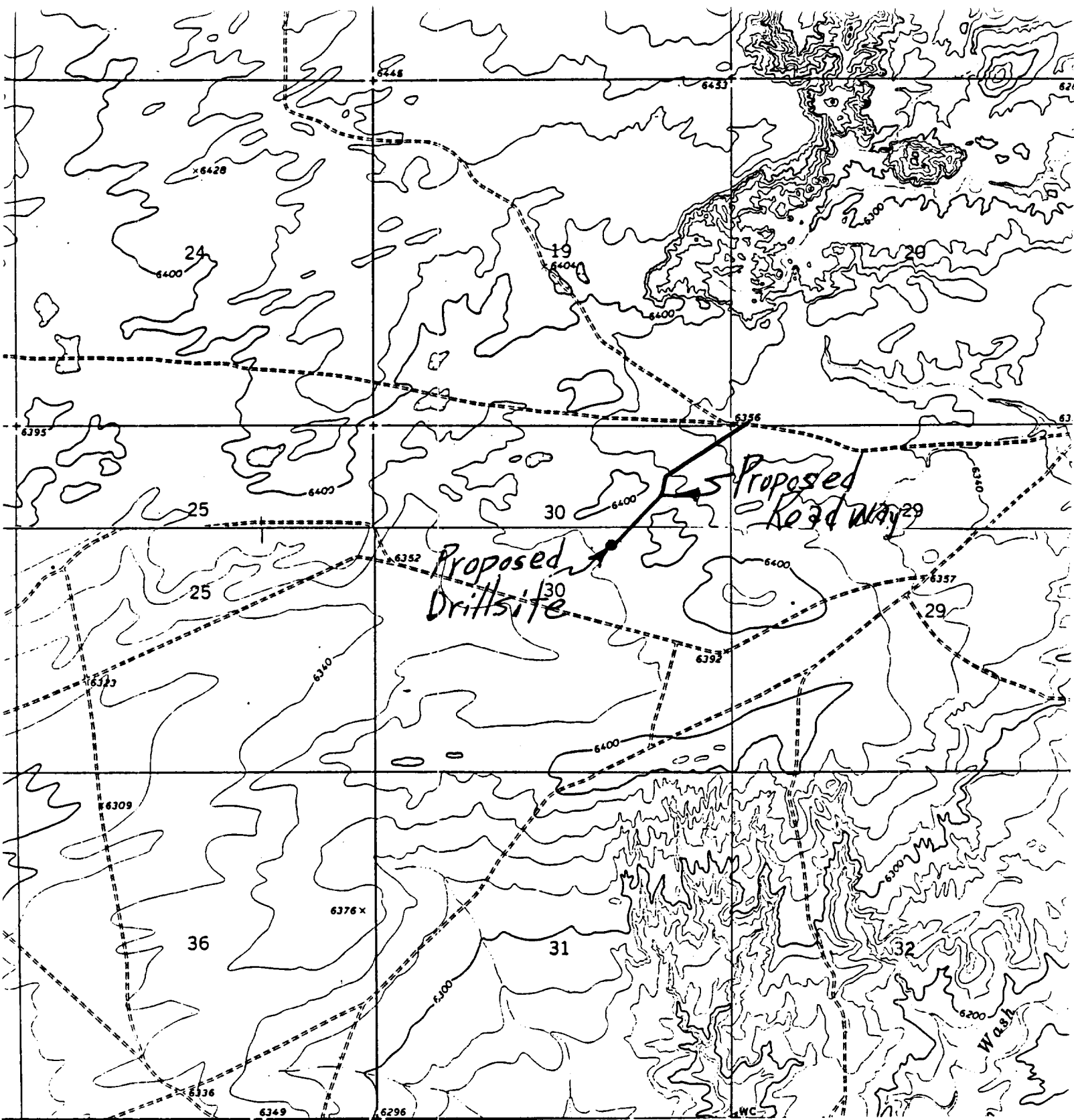
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *Steve Schalk*
Steve Schalk
Position
General Manager
Company
Schalk Development Co.
Date
June 7, 1990

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
May 3, 1990
Registered Professional Engineer
and Land Surveyor
3084
Certificate No.
3084





MAP NO. 1

Access Road
Schalk Development Co.
Federal 32-30 No. 1
1850' FNL & 1850' FEL, Sec. 30-25N-12W
San Juan County, New Mexico